

UNITED STATES OF AMERICA

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NATIONAL GAMBLING IMPACT STUDY COMMISSION

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PUBLIC MEETING

+ + + + +

MONDAY,

FEBRUARY 8, 1999

+ + + + +

VIRGINIA BEACH, VIRGINIA

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The Meeting took place in the Robertson Hall, Main Auditorium, 1000 Regent University Drive, Virginia Beach, Virginia at 8:30 a.m., Chair Kay C. James, presiding.

PRESENT:

MEMBERS:

KAY C. JAMES,	CHAIR
WILLIAM A. BIBLE	
JAMES C. DOBSON, PH.D.	
J. TERRENCE LANNI	
RICHARD C. LEONE	
ROBERT W. LOESCHER	
LEO T. MCCARTHY	
PAUL H. MOORE, M.D.	
JOHN W. WILHELM	

STAFF:

DR. TIMOTHY KELLY,	EXECUTIVE DIRECTOR
DR. JOHN SHOSKY,	DEPUTY DIRECTOR
DOUGLAS SEAY,	RESEARCH DIRECTOR
DR. KATHERINE SPILDE,	POLICY ANALYST/WRITER
TIMOTHY BIDWILL,	SPECIAL ASSISTANT TO CHAIR
CRAIG STEVENS,	LOGISTICS & COMMUNICATION COORDINATOR

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1 CHAIR JAMES: Good morning. My name is Kay James, and
2 on behalf of the Commission I would like to call this meeting of
3 the National Gambling Impact Study Commission to order, and
4 declare that we do, indeed, have a quorum to conduct today's
5 business.

6 I want to welcome all of you to the first meeting of
7 1999 for the Gambling Commission, and especially welcome you to
8 Virginia, and to Regent University.

9 We are pleased to be able to host this meeting, not
10 only because our facilities will offer an excellent location for
11 a productive meeting, but also for the opportunity it affords
12 students to see good government in action.

13 I'm also pleased to announce that thanks to our audio
14 visual staff here at Regent University, this Commission meeting
15 will be broadcast live on the internet. So we should all be in
16 good behavior.

17 If you would like to link up, please go to
18 www.regent.edu. We have now completed our schedule site visits
19 in which we visited Atlantic City, Boston, Chicago, Las Vegas,
20 Biloxi, New Orleans, San Diego, and Phoenix.

21 As I have done at each of these cities we visited, I
22 would like to take a moment and explain the purpose of the
23 National Gambling Impact Study Commission.

24 For those of you who are joining us for the first time,
25 this Commission was created by Congress in 1996 to conduct a
26 comprehensive legal and factual study of the social and economic
27 impacts of gambling in the United States on governments,
28 communities, businesses, and individuals.

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1 The nine members of this Commission were appointed by
2 the President, Speaker of the House, and Senate Majority Leader.
3 We represent diverse backgrounds, regions, and indeed viewpoints.

4 In June of 1999 we will report our findings to Federal,
5 State, and Native American Tribal governments. This is an
6 extremely timely study, as legalized gambling has grown
7 nationally to a multi-billion dollar a year industry.

8 Gambling is legal in all but two states, and 38 states
9 themselves operate some form of a lottery. Estimates of the
10 amount wagered in last week's Superbowl were in the billions of
11 dollars.

12 New lottery games are being introduced in Virginia, and
13 here in Virginia Beach there is even consideration of riverboat
14 gambling.

15 In this environment policy makers, community leaders,
16 businessmen, are seeking credible information about the benefits
17 and costs of gambling, and its impact on the community.

18 When the Commission developed its schedule of site
19 visits it was not conceived as an effort to view each form of
20 gambling. To do so would take far longer, and more than the two
21 years that we have, and the nine members that we have couldn't
22 get that job done in that short period of time.

23 I think by now each of the Commissioners has a good
24 idea of what a casino, racetrack, lottery, or slot machine looks
25 like, and generally how they operate.

26 We recognize that there are distinctions among the
27 various types of casinos, betting parlors, and lottery games, and
28 will continue to work to understand them.

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1 But our principal task remains as Congress directed, to
2 asses the social and economic impact of legalized gambling upon
3 this nation. And devising a site visit schedule that crossed the
4 nation and examined the various forms of gambling, we hope to
5 ensure that we are able to hear from those that are directly
6 touched by gambling, from families, to business owners, to
7 government leaders.

8 We have heard from lobbyists who tell us the positive
9 and the negative impact of gambling nationwide. But it is the
10 individual college student, the individual state legislator, the
11 individual track employee who can tell us, with personal
12 experience, what impact gambling has had upon their community.

13 This particular meeting begins a process of discussion
14 and deliberation as we move toward the Commission's conclusion.
15 Despite our august surroundings, this meeting is intended to be
16 informal and open.

17 Each session is intended to provide the maximum amount
18 of discussion among Commissioners. We will begin our day with
19 two formal presentations, and then move into issue oriented
20 discussions.

21 At that time we will move to a conference table in the
22 well of the courtroom. We have invited 15 organizations to be
23 with us, and I ask them to participate fully in the Commission's
24 work.

25 Each organization has been asked to make a short
26 presentation on their recommendations to the Commission, and then
27 to join us in participating in our discussion.

28 Again, our discussion is, indeed, intended to be
29 informal, open, and free flowing. If there is no objection from

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1 the Commissioners, I'm going to dispense with the formal
2 parliamentary procedure, and ask that we conduct these sessions
3 as an informal discussion, as we move into the well.

4 I will reserve my right to intervene if the discussion
5 -- in the discussion, to ensure that everyone gets a chance to be
6 heard, but will not require individual Commissioners to be
7 recognized to speak. I want to keep it as informal and free
8 flowing as possible.

9 While not every single viewpoint will be brought
10 forward to the full Commission today and tomorrow, efforts were
11 made to include those group's viewpoints in the subcommittee's
12 work these past few months. In addition we will continue this
13 process in our next meeting in March, in Washington.

14 Before we get started I want to thank some of the
15 individuals who have made this meeting possible. Obviously I
16 thought that our facilities here would be conducive to the work
17 that we have before us in the next few days, but another reason
18 for having the meeting here was that the Commission staff would
19 not have to spend as much of their time handling logistical
20 matters as they usually do before a Commission meeting, and
21 instead could continue their work on research and writing.

22 Much of the work of this meeting has been done by
23 student volunteers. They have literally put in hundreds of hours
24 planning logistics, copying documents, prepping rooms, and
25 organizing meals on behalf of the Commission.

26 They have done an excellent job, and if you have any
27 questions, or needs, during the day please do not hesitate to ask
28 one of them for assistance.

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1 I particularly want to thank Stephen Daniels, Don
2 Hively, and Rob Beals, our student coordinators, as well as the
3 outstanding staff here at Regent University. We all very much
4 appreciate your efforts.

5 With that I would like, now, to introduce to the
6 Commission the President of Regent University, and my boss,
7 General Paul Cerjan. Gen. Cerjan has been president of the
8 University for about a year, and represents an inspiring example
9 of selfless service to our nation and fellow citizens. A Vietnam
10 veteran, President Cerjan has spent the majority of his career in
11 command and senior staff positions in seven different division in
12 the United States Army as Executive to the Supreme Allied Command
13 in Europe, and as Deputy Commander in Chief of the U.S. Army,
14 Europe.

15 He has also served as President of the National Defense
16 University, and as Commandant of the Army War College.
17 Lieutenant General Cerjan is the recipient of the Defense
18 Distinguished Service Medal, Defense Superior Service Medal, the
19 Legion of Merit, with two oak leaf clusters, the Distinguished
20 Flying Cross, and the Bronze Star Medal with three oak leaf
21 clusters.

22 Most importantly he is a committed husband and proud
23 father of three children. At this time I would like to ask Gen.
24 Cerjan to please come forward and welcome the Commission to
25 Regent University.

26 Gen. Cerjan?

27 GEN. CERJAN: Madam Chairman, Members of the
28 Commission, it is a very daunting thing for me to walk forward

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1 because of my past life, when I saw a table like this, I knew I
2 was in trouble.

3 I really want to formally take just a minute to welcome
4 you to Regent University. As you might imagine, we are extremely
5 proud of this institution, only 20 years old, 8 graduate schools,
6 15 degrees at the Masters and Doctoral level.

7 More importantly, what it stands for, is the delivery
8 of education from a biblically based principled standpoint, to
9 produce leaders for the future of our country. And we think that
10 is a very, very important task, and I would tell you, very
11 frankly, that is why I came to Regent University, because I spent
12 34 years in the educational leaders, and I finally felt that
13 maybe I had been trained to the point where I might be able to
14 make an impact by coming to Regent University.

15 You have a daunting task ahead of you, and I realize
16 that, but it is somewhat similar to the task I have, and I would
17 just share that with you, that no matter what you do, you can't
18 please them all. And I found out, as the university president in
19 the last year, and the best thing you could do is to take the
20 right approach, and the approach is going to do the best for this
21 country.

22 You have committed your time, you sacrificed the time
23 with your families, from your professional careers, to do this
24 for the country. And it is really a tremendous example to young
25 people on what education does early in their career, and how it
26 focuses later in the career on public policy implications.

27 So I think you bring that to Regent University, and
28 that is why we are extremely pleased and honored to have you

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1 here, to be able to share at least a few minutes, and listen to
2 the great issues that you have facing you.

3 I would leave you with one thing, and ask you from my
4 perspective, as you spend your days at Regent University. If you
5 really want to reinforce your faith in the most precious national
6 resource we have, and that is our youth and our future educated
7 leaders, take a chance and a minute to talk to a student around
8 here.

9 I think just a few minutes of time with one of these
10 students will just tell you that this great country has a great
11 future, it is no different than it was in the past, and they are
12 going to take it to new heights. The people that you have
13 walking around these campus are the ones that are going to help
14 us do it, as well as those students in campus all over the
15 country.

16 So, once again, welcome to Regent University, we are
17 really pleased and honored to have you here, and we will do
18 everything we can to make this a very, very productive session
19 for you.

20 Thank you very much.

21 CHAIR JAMES: Thank you, Gen. Cerjan. And I also want
22 to welcome and acknowledge the First Lady of the University, Pat
23 Cerjan. If you would please stand and just allow the Commission
24 to see you, and to honor, and to recognize you. Thank you.
25 Prior to asking our guests to come forward I would like to note,
26 for the record, that we have all of our Commissioners present,
27 and therefore a quorum.

28

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